



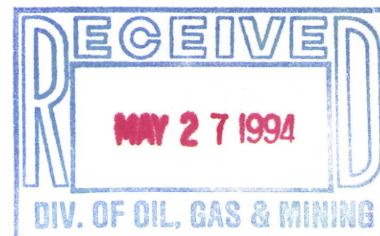
State of Utah

DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER QUALITY

11/023/007

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May 20, 1994

Mr. Paul Spor, Manager
North Lily Mining Company
PO Box 421
Eureka Utah 84628

RE: Closure Requirements
Groundwater Permit No. UGW 23001

Dear Mr. Spor,

We received your first quarterly monitoring report, dated April 13, 1994, in which you stated that operations were suspended in October 1993, and that neutralization and closure were to begin in May, 1994. Mack Croft and Dave Rupp also visited with you briefly on these subjects on April 28, 1994, when you were in our offices.

We have reviewed the permit, and the correspondence regarding closure requirements, and find several items in Part I.F of the permit, Closure and Contingency Requirements, have not been completed as follows:

1. The criteria for neutralization of less than or equal 0.20 mg/l (WAD) cyanide in the final heap rinsate samples, as originally submitted in your letter of Sept. 24, 1991 are acceptable. However, the pH ranges have been widened to 6.5 to 8.5. Also the total cyanide parameter is no longer required. We will need to review your proposed rinsing and neutralization testing routine.
2. Item 3, in the permit relating to pond closure and pipeline removal, will require us to review your proposals for reclamation of these facilities.
3. Item 5, in the permit relates to post closure ground water monitoring of your single well. Should the parameters in item 1 above be met, ground water monitoring can cease. Otherwise monitoring will be required until it is considered that it is safe to cease.

Mr. Paul Spor, Manager]

Page 2

May 20, 1994

You discussed the second and third items above with Mack Croft and Dave Rupp, and exchanged several ideas. Should a clean closure as described in item 1 be achieved, the heaps will then need to be sloped, resoiled and planted to Division of Oil Gas and Mining requirements. If the clean closure requirements cannot be met, the site will be treated as an existing facility and long term monitoring and clay capping requirements may be necessary.

We request your proposals on these items so your closure plan may be pre-approved as required by the permit. If you have any questions please call us at 538-6146.

Sincerely,



Fred C. Pehrson, P.E., Manager
Permits, Compliance & Monitoring Branch

FCP:MGC:wfm

cc: DOGM
Roger Foisy
Central Utah District Health Department

P:\NRTHLILY.MIN
FILE:NORTH LILY MINING CO.